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ಸರ್ಕಾರದ ಆಯಾ ಇಲಾಖೆಗಳ ಮುಖ್ಯಸ್ಥರ ಮತ್ತು ಸ್ಥಳೀಯ ಪ್ರಾಧಿಕಾರಿಗಳಿಗೆ
ಸಂಬಂಧಿಸಿದ ಅಧಿಸೂಚನೆಗಳು

KARNATAKA ELECTRICITY REGULATORY COMMISSION

No. 16 C-1, Miller Tank Bed Area, Vasanth Nagar, Bengaluru- 560 052

NOTIFICATION

No: KERC/S/F-61/Vol-29(1)/503

Date: 15.07.2025

Karnataka Electricity Regulatory Commission (Intra-State Deviation Settlement Mechanism and Related Matters) Regulations, 2025.

Preamble:

1. In order to maintain the balance between power generation and consumption within a State's power grid and to minimize deviations from scheduled generation and consumption patterns, thereby ensuring stability and reliability in the supply of electricity, there is a need to formulate the Regulations and monitoring compliance.
2. The stakeholders involved in the matter include power generators, distribution utilities, transmission companies, and open access consumers. Each participant has specific roles and responsibilities in adhering to Regulations and settling deviations effectively.

3. Hence, in exercise of the powers conferred by Section 181 read with clause (c) of sub-section (1) of section 86 of the Electricity Act 2003 and as required under the sub section (3) of section 181 of the Electricity Act 2003, and the Electricity (Procedure for Previous Publication) Rules, 2005, Karnataka Electricity Regulatory Commission notified the draft Karnataka Electricity Regulatory Commission (Intra-State Deviation Settlement Mechanism and Related Matters) Regulations, 2024 in the Karnataka State Gazette inviting comments from the Stakeholders, the notice of which was published on 28.08.2024 in the Times of India, The Hindu, Vijayavani and Kannada Prabha newspapers for eliciting views / suggestions/objections/comments from the Stakeholders.
4. The Commission has also conducted Public hearing on 19.12.2024 to elicit the views of the public and stakeholders on the draft Karnataka Electricity Regulatory Commission (Intra-State Deviation Settlement Mechanism and Related Matters) Regulations, 2024. The Commission has considered the views/comments/suggestions received from the stakeholders.
5. In exercise of the Sections 181(zi) & (zp) read with clause (c) of sub-section (1) of section 86 of the Electricity Act 2003 and all powers enabling it in this behalf, the Commission hereby makes the Regulations, namely Karnataka Electricity Regulatory Commission (Intra-State Deviation Settlement Mechanism and Related Matters) Regulations, 2025.

Order

After considering the views/ objections/ comments/ suggestions of the stakeholders on the draft regulations, the Commission hereby approves the Karnataka Electricity Regulatory Commission (Intra-State Deviation Settlement Mechanism and Related Matters) Regulations, 2025.

-Sd-
(P. RAVI KUMAR)
CHAIRMAN

-Sd-
(H.K. JAGADEESH)
MEMBER (LEGAL)

-Sd-
(JAWAID AKHTAR)
MEMBER

KARNATAKA ELECTRICITY REGULATORY COMMISSION**No. 16 C-1, Miller Tank Bed Area, Vasanth Nagar, Bengaluru- 560 052****No:KERC/S/F-61/Vol-29(1)/503****Date:15.07.2025****NOTIFICATION**

In exercise of powers conferred under Sections 181 (zi) & (zp) of the Electricity Act, 2003 read with clause (c) of sub-section (1) of section 86 and all other powers enabling it in this behalf, and after previous publication, the Karnataka Electricity Regulatory Commission makes the following regulations:

CHAPTER-1**PRELIMINARY****1. SHORT TITLE, EXTENT OF APPLICATION AND COMMENCEMENT**

- 1.1. These Regulations shall be called the Karnataka Electricity Regulatory Commission (Intra-State Deviation Settlement Mechanism and Related Matters) Regulations, 2025.
- 1.2. These Regulations shall apply within the geographical area of the State of Karnataka and shall apply to all Inter / Intra-State Entities connected with STU in Karnataka in a manner as specified in these Regulations.
- 1.3. These Regulations shall be effective from the date of their publication in the official gazette of the State of Karnataka.

CHAPTER-2**OBJECTIVE****2. OBJECTIVE**

These regulations seek to ensure, through a commercial mechanism, that grid users do not deviate from and adhere to their schedule of drawal and injection of electricity in the interest of security and stability of the grid.

CHAPTER-3 DEFINITIONS

3. DEFINITIONS

In these Regulations, unless the context otherwise requires:

- 3.1. **“Act”** means the Electricity Act, 2003 (36 of 2003) or any amendments made to the same or any succeeding enactment thereof;
- 3.2. **“Actual Drawal”** in a time-block means electricity drawn by a Buyer, measured by the interface meters;
- 3.3. **“Actual Injection”** in a time-block means electricity injected, measured by the interface meters;
- 3.4. **“Ancillary Services”** means the Ancillary Services as defined in the Ancillary Services Regulations;
- 3.5. **“Ancillary Services Regulations”** means the Karnataka Electricity Regulatory Commission (Ancillary Services) Regulations, 2025, as amended from time to time and shall include any re-enactment thereof;
- 3.6. **“Area Clearing Price” or ‘ACP’** means the price of electricity contract for a time- block transacted on a Power Exchange after considering all valid buy and sale bids in particular area(s) after market-splitting;
- 3.7. **“Buyer”** means a licensee or consumer or captive user or company located within the State, receiving power by using the State-grid including such system when it is used in conjunction with inter-State transmission system and whose scheduling and/or metering and energy accounting is coordinated by the SLDC in accordance with the State Grid Code;
- 3.8. **“Central Commission” or “CERC”** means the Central Electricity Regulatory Commission referred to in sub-section (1) of section 76 of the Act;

- 3.9. **“Commission”** means the Karnataka Electricity Regulatory Commission referred to in sub-section (1) of section 82 of the Act;
- 3.10. **“Contract Rate”** means (i) in respect of a MSW Seller or such other entity as applicable, whose tariff is determined or adopted or approved under Section 62 or Section 63 or Section 86(1)(b) of the Act, Rs/kWh tariff as determined or adopted or approved by the Appropriate Commission; or (ii) in respect of a MSW Seller or such other entity as applicable, whose tariff is not determined or adopted or approved under Section 62 or Section 63 or Section 86(1)(b) of the Act, and selling power through power exchange(s), the price as discovered in the Power Exchange for the respective transaction; or (iii) in respect of a MSW Seller or such other entity as applicable, selling power through open access to a third party or in case of captive consumption of a captive generating plant based on renewable energy sources, the weighted average ACP of the Integrated-Day Ahead Market segments of all Power Exchanges for the respective time block; (iv) in case of multiple contracts or transactions including captive consumption, the weighted average of the contract rates of all such contracts or transactions, as the case may be.
- 3.11. **“Day”** means a continuous period starting at 00.00 hours and ending at 24.00 hours;
- 3.12. **“Day Ahead Contract”** means a contract wherein Collective Transactions occur on day (T) and delivery of electricity is on the next day (T+1);
- 3.13. **“Declared Capacity”** in relation to any period or time block, means the capability of the Seller to deliver MW as declared by the Seller at interface point with the State Grid in accordance with the State Grid Code;

- 3.14. **“Despatch Schedule”** means the ex-power plant net MW and MWh output of a generating station, for a time block, scheduled to be injected to the Grid from time to time;
- 3.15. **“Deviation”** in a time block for a Seller of electricity means its total actual injection minus its total scheduled generation; and for a Buyer of electricity means its total actual drawal minus its total scheduled drawal, and shall be computed in accordance with these Regulations;
- 3.16. **“Deviation Charges”** means the charges computed in accordance with these Regulations;
- “CERC DSM Regulations, 2024”** means the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2024 including any subsequent amendments/ re-enactments thereof;
- 3.17. **“Distribution Licensee”** means a License authorized to operate and maintain a distribution system for supplying electricity to the consumers in his area of supply;
- 3.18. **“Drawal Point”** means connection point(s) at which electricity is drawn from the State-Grid by the State-Grid user;
- 3.19. **“Ex-Power Plant”** means net Mega Watt / Mega Watt hour output of a generating station, after deducting Auxiliary consumption and Transformation losses;
- 3.20. **“General Seller”** means a seller in case of a generating station based on resources other than wind or solar or hybrid of wind-solar resources;
- 3.21. **“Grid”** means the high voltage backbone system of inter-connected Transmission lines, Sub-Stations and Generating plants;
- 3.22. **“Grid Code”** means the Indian Electricity Grid Code specified by the Central Commission under Clause (h) of Sub-section(1) of Section 79 of the Act;

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- 3.23. **“Hydro Seller”** means a hydro generating station;
- 3.24. **“Intra State Entity”**- means a person whose scheduling and energy accounting is coordinated by State Load Despatch Centre or any other authorized State agency;
- 3.25. **“Interface Point”** for Buyer/Seller means the location where Interface Meter is installed for the purpose of Deviation Settlement;
- 3.26. **“Interface meters”** means energy meters installed at interface points as defined under the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended from time to time and any re-enactment thereof;
- 3.27. **“Losses”** means the energy losses in percentage for the intra-State transmission system or distribution system as specified by the Commission from time to time;
- 3.28. **“Month”** means a calendar month as per the British Calendar;
- 3.29. **“Multiple Supply Consumer or MSC”** means a consumer who has a supply agreement with the distribution licensee in whose area of supply the consumer is located and also has a supply agreement with the person other than the distribution licensee under the Open Access Regulations and includes a consumer of a distribution licensee who also avails of wheeling facility for carrying the electricity from his captive generating plant to the destination of his own use;
- 3.30. **“Normal Rate of Charge for Deviation” (NR)** means the charges for deviation (in Paise/kWh) as referred to in these Regulations;
- 3.31. **“Net Drawal Schedule”** means the drawal schedule of the Distribution licensees or a Buyer after deducting the apportioned Transmission Losses and/or Distribution Losses as applicable;

- 3.32. **“Open Access Customer”** means a consumer permitted to receive supply of electricity from one or more person(s) other than the distribution licensee of his area of supply, or a generating company (including captive generating plant) or a licensee or a captive user who has availed of or intends to avail of long- term open access or medium term open access or short-term open access, as the case may be;
- 3.33. **“Open Access Regulations”** means the Karnataka Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulations, 2025 as amended from time to time;
- 3.34. **“Reference Charge Rate or RR”** means (i) in respect of a general seller whose tariff is determined or adopted or approved under Section 62 or Section 63 or Section 86(1)(b) of the Act , Rs/ kWh energy charge as determined or adopted or approved by the Appropriate Commission, or (ii) in respect of a general seller whose tariff is not determined or adopted or approved under Section 62 or Section 63 or Section 86(1) (b) of the Act, and selling power through power exchange(s), the price as discovered in the power exchange for the respective transaction; or (iii) in respect of a general seller selling power through open access to a third party or in case of captive consumption of a captive generating plant based on resources other than renewable energy sources, the weighted average ACP of the Integrated-Day Ahead Market segments of all the Power Exchanges for the respective time block; or (iv) in case of multiple contracts or transactions including captive consumption, the weighted average of the reference rates of all such contracts or transactions.-
- 3.35. **“Run-of-River Generating Station’ or ‘RoR generating station”** means a hydro generating station which does not have upstream pondage;
- 3.36. **‘Scheduled Drawal’** for a time block or any period means the schedule of drawal in MW or MWh ex-bus given by the State Load Despatch Centre;

- 3.37. **“Scheduled generation” or “Scheduled injection”** for a time block or any period means the schedule of generation or injection in MW or MWh ex-bus, including the schedule for Ancillary Services given by the State Load Despatch Centre;
- 3.38. **‘Single Supply Consumer’ or ‘SSC’** means a consumer including captive user not having a supply agreement with the distribution licensee in whose area of supply the consumer is located, but availing or intending to avail supply of energy under the Open Access Regulations from a person other than that of distribution licensee of the area;
- 3.39. **“Seller”** means a generating station including captive generating plant (selling directly or through trader) or licensee or a company located within the State, injecting power into the State-grid including such system when it is used in conjunction with inter-State transmission system and whose scheduling and/ or, metering and energy accounting is coordinated by SLDC, in accordance with Grid Code/State Grid Code as the case may be;
- 3.40. **“State Deviation Pool Account”** means the Account to be maintained and operated by State owned distribution licensee as per these Regulations;
- 3.41. **“State Load Despatch Centre (SLDC)”** means Karnataka State Load Despatch Centre established under Sub-Section (1) of Section 31 of the Act;
- 3.42. **“State”** means the State of Karnataka;
- 3.43. **“State Deviation Settlement Mechanism Account (SDSMA)”** means weekly/monthly State Deviation Settlement Mechanism Account prepared by State Load Despatch Centre for the billing and settlement of Deviation charges;

- 3.44. **“State Grid”** means the Intra-State transmission network owned by the State Transmission utility, transmission licensee and/or the network of any other person who has been granted licence by the Commission to establish or operate distribution system within the State;
- 3.45. **“State Grid Code”** means the Karnataka Electricity Grid Code notified by the State Commission under Section 86(1)(h) read with Section 181(ZP) of the Electricity Act, 2003 (No. 36 of 2003);
- 3.46. **“State Grid User”** means Buyer and/or Seller;
- 3.47. **“State Transmission Utility (STU)”** means Karnataka Power Transmission Company Limited;
- 3.48. **“Time Block”** means Block of 15-minute or as defined in Grid Code for which special energy meters record specified electrical parameters and quantities, with first Time Block starting at 00.00 hours;
- 3.49. **“Unscheduled Power Generation (UPG)”** means Unscheduled Power Generation by a Generator injecting power without schedule.
- 3.50. **“Week”** means a period of consecutive seven days commencing from 00.00 hours on the Monday and ending at 24.00 hours on following Sunday as per the British Calendar;

The words and expressions used in these Regulations and not defined herein but defined in the Act shall have the meaning assigned to them under the Act and other Regulations notified by the Commission, provided that when a word or phrase is used by the Commission in a specific context, the meaning applicable in that specific context, shall prevail and the generic definition given above may not be applicable.

CHAPTER-4

AVAILABILITY BASED TARIFF (ABT) AND DEVIATION SETTLEMENT MECHANISM

4. The tariff under the ABT regime will have three components namely the fixed/capacity charge, the energy/variable charge and the Deviation charge.

- (a) Fixed charges/capacity charges: Capacity charges of the generators are payable on the capacity allocated and are linked to 'Availability' of the generating stations declared on daily basis in MW.
- (b) Energy charges/variable charges: Energy charges or variable charges are payable on the scheduled energy irrespective of actual drawal.
Computation of capacity charges and energy charges shall be governed by the tariff orders of the Commission issued from time to time.
- (c) Deviation Charges: Variation between actual generation and scheduled generation or actual drawal and scheduled drawal shall be accounted for through Deviation Charges and shall be computed as per these Regulations;

CHAPTER-5

APPLICABILITY OF INTRA-STATE ABT

5. These Regulations shall be applicable to all grid connected entities engaged in Inter/Intra State purchase and sale of electricity as detailed below:

5.1 Generating Company/Captive generating plant

- (a) State Generating Stations: To all generating stations owned by Karnataka Power Corporation Ltd (KPCL).
- (b) Conventional fuel based Generating Plants: All conventional fuel based power generating companies including Captive Generating Plants (CGP) located in the State and who have contracted to supply long-term or medium-term power to distribution licensees in the State at a tariff determined under Sections 62 or 63 of the Act.

- (c) Renewable energy based generating plant: All renewable energy based power generating stations (excluding Wind, Solar and WS hybrid) covered under the relevant Regulations, of installed capacity more than 5 MW located in the State and who have contracted to supply long-term and medium-term power to distribution licensees in the State at a tariff determined under Section 62 or Section 63 of the Act.
- (d) All the conventional generating stations including, CGP (Selling directly or through electricity traders or through exchanges) who intend to supply power to the distribution licensee of the State under short-term contracts.
- (e) All the generating stations including renewable energy based power plants (excluding Wind, Solar and WS hybrid)/CGP (Selling directly or through electricity traders or through exchanges) who intend to supply power outside the State under long-term, medium-term or short-term contracts.
- (f) All the generating stations including renewable energy based power plants (excluding Wind, Solar and WS hybrid)/CGP (Selling directly or through electricity traders or through exchanges) who intend to supply power to intrastate consumers under long-term, medium-term or short-term contracts.

5.2 **Distribution Licensees:** The distribution licensee shall be covered under Intra-State ABT if it draws power by using the State-grid.

5.3 **Open Access Consumers/captive users (Other than Solar, Wind and WS Hybrid):** All open access consumers /captive users located within the State and who intend to purchase /receive power through State grid shall be governed by Intra- State ABT only in respect of electricity supplied to them by the generating station/ licensee governed by inter-State/ intra-State ABT.

5.4 Applicability of Deviation Charge Component of the Intra-State ABT

- (a) All SSC, procuring power through open access within the State shall be governed by Intra-State ABT only in respect of applicable deviation charges.
- (b) All generators including CGP (selling directly or through electricity trader) who have contracted to supply power only to SSC and/or MSC shall be governed by intra-State ABT only in respect of applicable deviation charges.
- (c) All generators including CGP (selling directly or through electricity trader) who have contracted to supply power only to licensees or consumers located outside the State shall be governed by intra-State ABT only in respect of applicable deviation charges.

CHAPTER-6

DEVIATION CHARGES

6. COMPUTATION OF DEVIATION

6.1. Adherence to Schedule and Deviation

- (1) For a secure and stable operation of the grid, every grid connected State entity shall adhere to its schedule as per the Grid Code and shall not deviate from its schedule and/or as per the appropriate Regulations/Orders/Directives issued by the Commission from time to time.
- (2) Any deviation shall be managed by the State Load Despatch Centre as per the State appropriate Regulations as notified by the Commission and the computation charges and related matters in respect of such deviation shall be dealt with as per the provisions of these Regulations.

6.2. Computation of Deviation

- (1) Deviation in a time block for General Sellers shall be computed as follows:

Deviation-general Seller (Dgs) (in MWh) = [(Actual injection in MWh) – (Scheduled generation in MWh)].

Deviation-general Seller (Dgs) (in %) = $100 \times \frac{[(\text{Actual injection in MWh}) - (\text{Scheduled generation in MWh})]}{[(\text{Scheduled generation in MWh})]}$.

- (2) Deviation in a time block for RE Seller other than WS/WSH Seller shall be computed as follows:

Deviation- RE Seller (in MWh) = [(Actual injection in MWh) – (Scheduled generation in MWh)].

Deviation- RE Seller (in %) = $100 \times \frac{[(\text{Actual injection in MWh}) - (\text{Scheduled generation in MWh})]}{[(\text{Scheduled generation in MWh})]}$.

- (3) Deviation in a time block for Buyers shall be computed as follows:

Deviation- Buyer (DBUY) (in MWh) = [(Actual drawal in MWh) – (Scheduled drawal in MWh)].

Deviation- Buyer (DBUY) (in %) = $100 \times \frac{[(\text{Actual drawal in MWh}) - (\text{Scheduled drawal in MWh})]}{[(\text{Scheduled drawal in MWh})]}$.

6.3. Normal Rate of Charges for Deviation

- (1) The Normal Rate (NR) of charges for deviation for a particular time block shall be the highest of (A), (B) or (C), where (A), (B) and (C) are as follows:

(A) the weighted average ACP (in Paise /kWh) of the Integrated-Day Ahead Market segments of all the Power Exchanges;

(B) the weighted average ACP (in Paise /kWh) of the Real Time Market segments of all the Power Exchanges;

(C) the sum of:

(a) $\frac{1}{3}$ [Weighted average ACP (in paise/kWh) of the Integrated-Day Ahead Market segments of all the Power Exchanges];

(b) $\frac{1}{3}$ [Weighted average ACP (in paise/kWh) of the Real-Time Market segments of all the Power Exchanges]; and

(c) $\frac{1}{3}$ [Ancillary Service Charge (in paise/kWh) computed based on the total quantum of Ancillary Services (SRAS UP and TRAS UP) deployed and the net charges payable to the Ancillary Service Providers for all the Regions]:

Provided that in case of non- availability of ACP for any time block on a given day, ACP for the corresponding time block of the last available day shall be considered.

(2) The normal rate of charges for deviation shall be rounded off to the nearest two decimal places.

6.4. Charges for Deviation, in respect of a general seller (other than RoR generating station and a generating station based on municipal solid waste) shall be as under:

Deviation by way of over injection (Receivable by the Seller)	Deviation by way of under injection (Payable by the Seller)
(I) For Deviation up to [10% DGS or 100 MW, whichever is less] and f within f band	
(i) @ RR when $[49.97 \text{ Hz} \leq f \leq 50.03 \text{ Hz}]$	(iv) @ RR when $[49.97 \text{ Hz} \leq f \leq 50.03 \text{ Hz}]$
(ii) When $[50.03 \text{ Hz} < f \leq 50.05 \text{ Hz}]$, for every increase in f by 0.01 Hz, charges for deviation for such seller shall be reduced by 25% of RR so that charges for deviation become 50% of RR when $f = 50.05 \text{ Hz}$	(v) When $[50.03 \text{ Hz} < f \leq 50.05 \text{ Hz}]$, for every increase in f by 0.01 Hz, charges for deviation for such seller shall be reduced by 7.5% of RR so that charges for deviation become 85% of RR when $f = 50.05 \text{ Hz}$
(iii) When $[49.97 \text{ Hz} > f \geq 49.90 \text{ Hz}]$, for every decrease in f by 0.01 Hz, charges for deviation for such seller shall be increased by 2.15% of RR so that charges for deviation become 115% of RR when $f = 49.90 \text{ Hz}$	(vi) When $[49.97 \text{ Hz} > f \geq 49.90 \text{ Hz}]$, for every decrease in f by 0.01 Hz, charges for deviation for such seller shall be increased by 7.15% of RR so that charges for deviation becomes 150% of RR when $f = 49.90 \text{ Hz}$
(II) For Deviation up to [10% DGS or 100 MW, whichever is less] and f outside f band	
(i) @ zero when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$: Provided that such seller shall pay @ 10% of RR when $[f \geq 50.10 \text{ Hz}]$	(iii) @ 85 % of RR when $[f > 50.05 \text{ Hz}]$
(ii) @ 115 % of RR when $[f < 49.90 \text{ Hz}]$	(iv) @ 150 % of RR when $[f < 49.90 \text{ Hz}]$
(III) For Deviation beyond [10% DGS or 100 MW, whichever is less] and f within and outside f band	
(i) @ zero when $(f < 50.10 \text{ Hz})$: Provided that such seller shall pay @ 10% of RR when $[f \geq 50.10 \text{ Hz}]$	(ii) @ RR when $[f \geq 50.00 \text{ Hz}]$; (iii) @ 150% of RR when $[49.90 \text{ Hz} \leq f < 50.00 \text{ Hz}]$; and (iv) @ 200% of RR when $[f < 49.90 \text{ Hz}]$

Note: System frequency = f and f band = $[49.90 \text{ Hz} \leq f \leq 50.05 \text{ Hz}]$

- 6.5. Charges for Deviation, in respect of a general seller being an RoR generating station, shall be without any linkage to grid frequency, as under:

Deviation by way of over injection (Receivable by the Seller)	Deviation by way of under injection (Payable by the Seller)
(i) @ RR for deviation up to [15% Dgs or 150 MW, whichever is less]; (ii) @ Zero for deviation beyond [15% Dgs or 150 MW, whichever is less]	(ii) @ RR for deviation up to [15% Dgs or 150 MW, whichever is less]; (iii) @ 105% of RR for deviation beyond [15% Dgs or 150 MW, whichever is less] and up to [20% Dgs or 200 MW, whichever is less]; (iv) @ 110% of RR for deviation beyond [20% Dgs or 200 MW, whichever is less].

- 6.6. Charges for Deviation, in respect of a general seller being a generating station based on municipal solid waste, shall be without any linkage to grid frequency, as under:

Deviation by way of over injection (Receivable by the Seller)	Deviation by way of under injection (Payable by the Seller)
(i) @ contract rate for deviation up to [20% Dgs]; (ii) @ Zero for deviation beyond [20% Dgs];	(iii) @ contract rate for deviation up to [20% Dgs]; (iv) @ 110% of contract rate for deviation beyond [20% Dgs].

- 6.7. Charges for Deviation, in respect of a Buyer, shall be receivable or payable as under:

Deviation by way of under drawal (Receivable by the Buyer)	Deviation by way of over drawal (Payable by the Buyer)
(V) For VLB (1) and f within f band	
i) @ 90% of NR when $f = 50.00$ Hz;	iv) @ NR when $f = 50.00$ Hz;
ii) When $50.00 \text{ Hz} < f \leq 50.05 \text{ Hz}$, for every increase in f by 0.01 Hz, charges for deviation for such buyer shall be decreased by 8% of NR so that charges for deviation become 50% of NR when $f = 50.05 \text{ Hz}$;	v) When $50.00 < f \leq 50.05 \text{ Hz}$, for every increase in f by 0.01 Hz, charges for deviation for such buyer shall be decreased by 5% of NR so that charges for deviation become 75% of NR when $f = 50.05 \text{ Hz}$;
iii) When $[50.00 \text{ Hz} > f \geq 49.90 \text{ Hz}]$, for every decrease in f by 0.01 Hz, charges for deviation for such buyer shall be increased by 1 % of NR so that charges for deviation become 100% of NR when $f = 49.90 \text{ Hz}$;	vi) When $[50.00 \text{ Hz} > f \geq 49.90 \text{ Hz}]$, for every decrease in f by 0.01 Hz, charges for deviation for such buyer shall be increased by 5% of NR so that charges for deviation become 150% of NR when $f = 49.90 \text{ Hz}$.

(VI) For VLB (1) and f outside f band	
(i) @ zero when [50.05 Hz < f < 50.10 Hz]: Provided that such buyer shall pay @ 10% of NR when [$f \geq 50.10$ Hz];	(iii) @ 50% of NR when [50.05 Hz < f < 50.10 Hz]: (iii) @ zero when [$f \geq 50.10$ Hz]; (v) @ 150 % of NR when [$f < 49.90$ Hz].
(ii) @ NR when [$f < 49.90$ Hz];	
(VII) For VLB (2) and f within and outside f band	
(i) @ 80% of NR when $f \leq 50.00$ Hz;	(iv) @ 150% of NR when $f < 50.00$ Hz;
(ii) @ 50% NR when [50.00 Hz < $f \leq 50.05$ Hz];	(v) @ NR when [50.00 Hz $\leq f \leq 50.05$ Hz];
(iii) @ zero when [50.05 Hz < f < 50.10 Hz]: Provided that such buyer shall pay @ 10% of NR when [$f \geq 50.10$ Hz];	(vi) @ 75% NR when [50.05 Hz < f < 50.10 Hz]; (vii) @ zero when [$f \geq 50.10$ Hz].
(VIII) For VLB (3) and f within and outside f band	
(i) @ zero when $f < 50.10$ Hz: Provided such buyer shall pay @ 10% of NR when [$f \geq 50.10$ Hz];	(ii) @ 200% of NR when $f < 50.10$ Hz] (iii) @ NR when [50.00 Hz $\leq f < 50.10$ Hz] (iv) @ 50% of NR when [$f \geq 50.10$ Hz]

Note: Volume Limits for Buyer:

Buyer	Volume Limit			
Buyer (with a schedule up to 400 MW)	VLB(1) = Deviation [10 % DBUY or 1 MW, whichever is less] VLB(2) = Deviation beyond [10 % DBUY or 1 MW, whichever is less]			
Buyer (being Distribution licensee)	Distribution licensees	VLB(1)	VLB(2)	VLB(3)
	BESCOM	121	170	>170
	HESCOM	20	28	>28
	GESCOM	29	41	>41
	MESCOM	48	67	>67
	CESC	32	44	>44

Provided that, the Commission will revise the deviation limit annually for distribution licensees/ buyers. A separate order will be issued by the Commission, with the revised deviation once SLDC approaches the Commission.

6.8. The charges for deviation by way of injection of infirm power shall be zero:

Provided that if infirm power is scheduled after a successful trial run as specified in the Grid Code, the charges for deviation over the scheduled infirm power shall be as applicable for a general seller.

Provided further that when the system frequency, $f > 50.05\text{Hz}$, the charges for deviation of scheduled infirm power by way of over injection by a general seller, shall be zero."

- 6.9. The charges for deviation for drawal of start-up power before the COD of a generating unit or for drawal of power to run the auxiliaries during the shut-down of a generating station shall be payable at the reference charge rate or contract rate or in the absence of reference charge rate or contract rate, the weighted average ACP of the Day Ahead Market segments of all Power Exchanges for the respective time block, as the case may be.
- 6.10. Notwithstanding anything contained in Clauses (1) to (6) of this Regulation, in case of forced outage or partial outage of a seller, the charges for deviation shall be @ the reference charge rate for a maximum duration of eight (8) time blocks or until the revision of its schedule, whichever is earlier.
- 6.11. The consumers who have reduced their contract demand to zero and drawing power from grid shall be settled as per provisions specified in tariff order for the relevant period by the Commission.
- 6.12. In case of multiple contracts, the contract rate or the reference rate referred to in Regulation 6 of these Regulations, shall be the weighted average of the contract rates/ reference rate of all such contracts. The Sellers/Buyers shall furnish the PPA rates on affidavit for the purpose of Deviation charge account preparation to SLDC supported by a copy of the Order of the Commission.

CHAPTER-7

7. SCHEDULING AND DESPATCH

- 7.1. Sellers/Buyers shall have to bear energy loss (transmission loss /or the distribution losses) for their injection /drawal schedules at the interface point with the State Grid or as applicable as per terms and conditions of prevailing power purchase agreement.

- 7.2. For long-term access customers and medium-term open access customers, the provisions of the State Grid Code and the relevant KERC Regulations/amendments, as amended from time to time, shall be applicable for declaration of capacity and scheduling. The Seller shall submit daily declared capacity and accordingly the Buyers including beneficiary shall submit their requirement to SLDC in 15 minutes' time block and by considering these the SLDC, shall finalize the injection/drawal schedule.
- 7.3. The Seller supplying power on short-term shall submit monthly declared capacity and accordingly the Buyers including InSGS shall submit their requirement to SLDC in 15 minutes' time block and by considering these the SLDC shall finalize the injection/drawal schedule. If the Sellers/Buyers fail to submit the declared capacity/drawal requirement for the scheduling of power, then the same shall be considered as zero for all purposes. However, maximum of two revisions of schedule per month under advance intimation to SLDC and distribution licensee shall be allowed with effect from 00.00 hours of next day.
- 7.4. If the Seller supplies short-term power to distribution licensee and/or MSC/SSC and if such Seller is also a long-term open access customer/medium-term open access customer, then such Seller shall give monthly schedule as per these Regulations for short-term open access so also daily schedule as long-term open access customer/medium-term open access customer as per these Regulations.
- 7.5. Based on declared capacity given by the Seller and requirement of drawal given by the Buyer, the SLDC shall allocate power and finalize the injection /drawal schedule of the Sellers/Buyers considering the applicable losses as specified by the Commission in its Tariff order from time to time.
- 7.6. In case of day ahead transactions, the declared capacity/schedules shall be conveyed by the Seller to SLDC; in one-day advance up to

06.00 Hrs of the day. The Buyer including beneficiary shall confirm the time- block wise requirement to SLDC in one-day advance up to 09.00 Hrs of the day. If no confirmation from Buyer including beneficiary is received within the above time limit, the SLDC shall consider zero requirement. Accordingly, SLDC shall issue the drawal and injection schedules by 18.00 Hrs of the day for the next day. Thereafter, normally no changes shall be registered in the schedule on the day ahead basis.

- 7.7. To discourage frivolous revisions, SLDC may, at its sole discretion, refuse to accept schedule/capability changes of less than two (2) percent of previous schedule/capability or 0.5 MW whichever is more.
- 7.8. If, at any point of time, the SLDC observes that there is a need for revision of the schedules in the interest of better system operation, it may do so on its own, and in such cases, the revised schedules shall become effective from the 4th time block, counting the time block in which the revised schedule is issued by the SLDC to be the first one.
- 7.9. It shall be incumbent upon the State-grid-users to declare their schedule /plant capabilities faithfully, i.e, according to their best assessment. In case, it is suspected that they have deliberately over/under declared the schedule/ plant capability contemplating to deviate from the schedules given on the basis of their capability declarations (and thus make money either as undue capacity charge or as the charge for deviations from schedule), the SLDC may ask the State-grid-user to explain the situation with necessary backup data.
- 7.10. If the scheduling of the State-grid-users has been stopped/ discontinued/ cancelled by SLDC or got cancelled by SLDC on its request to RLDC/NLDC/PX, on "grid – disciplinary" measures, the balance and the subsequent approved transactions and application of the State-grid-user shall be forfeited / cancelled.

- 7.11.** In case of any grid disturbance, scheduled injection of the Sellers and scheduled drawal of the Buyers shall be deemed to have been revised in proportion to their actual generation/drawal for all the time blocks affected by the grid disturbance. Certification of grid disturbance and its duration shall be published by the SLDC/Distribution licensee in website within a week of its occurrence by the concerned licensee.
- 7.12.** When for the reason of transmission constraints e.g. congestion or in the interest of grid security, it becomes necessary to curtail power flow on a transmission corridor, the transactions already scheduled may be curtailed by the SLDC. The short-term customer shall be curtailed first followed by the medium-term customers, which shall be followed by the long-term customers and amongst the customers of a particular category, curtailment shall be carried out on pro rata basis.
- 7.13.** In the event of tripping of evacuating Substation path, the last injection/ schedule shall be considered with forecast and schedule of similar day forecast figure and considered as deemed injection/ schedule for the affected time blocks. For this the affected User/ Entity has to represent the event with due authorization/ certifications of the connected Substation Agency/ Authority on SLDC website.
- 7.14.** In case it is observed that a "Seller" has scheduled excess power than the approved quantum of open access in any time block; then no deviation charge shall be receivable by him for excess injection, done on that day and he will have to pay the transmission/wheeling charges as applicable for the excess scheduled quantum, for the whole day, at the rate of two (2) times of the transmission charges as applicable. In the case of implemented schedules indicated by the SRLDC/Power Exchanges/NLDC/SLDC for open access transactions, the rounding off of 0.01MWh whether on plus side or minus side shall be ignored and such a case shall not be considered either as excess scheduling or under injection.

CHAPTER-8**ENERGY ACCOUNTING AND SETTLEMENT****8. a. Settlement of energy at drawal point in respect of a SSC**

- 8.1.** The scheduled drawal (MWh) at drawal point shall be computed for each time block from the scheduled drawal (in MW) for such consumer through open access at the drawal point considering the energy losses of the State grid (Intra-State transmission system and/ or distribution system, as applicable) and the deviation from schedule shall be dealt with as per Regulation.
- 8.2.** The excess energy consumed, if any, at the drawal point for any time block with reference to scheduled drawal shall be deemed to have been consumed by the consumer from the State grid and shall be treated as deviation and shall be paid by the consumer at the applicable DSM charge and shall be calculated as per Regulation.
- 8.3.** In case, where such a consumer underdraws with reference to the scheduled drawal, the DSM charge shall be calculated as per Regulation.

b. Settlement of energy at drawal point in respect of MSC

- 8.4.** Such a consumer shall have supply agreement with the licensee (either for standby support or for meeting part requirement of his total requirement as may be chosen by the consumer) as also with the "Sellers" for availing power through open access.
- 8.5.** The total scheduled drawal at drawal point shall be computed for each time block considering contract demand (in MVA) with licensee (considering power factor 0.90) and drawal schedule for the consumer through Open-Access at the drawal point by considering the losses of the State-grid (intra-State transmission system and / or distribution system, as applicable).
- 8.6.** In case of levy of demand charges by distribution licensee; the actual drawal shall be first set off with actual demand scheduled

through Open Access for the respective time block and the remaining shall be considered as drawal against the contract demand with the distribution licensee and shall be charged as per applicable tariff order issued by the Commission.

- 8.7. Energy charges in case of MSC consumer receiving power shall be levied by the distribution licensee as per the respective consumer category tariff based on the actual energy consumed in the billing month after deducting the energy scheduled towards open access.

CHAPTER-9

DSM ACCOUNT

9. STATE DSM ACCOUNT (SDSMA)

- 9.1. The State Load Despatch Centre shall prepare and issue (to all Sellers/Buyers) SDSMA charges to all Sellers/ Buyers as per the modalities and timelines as under:

- a) **Billing Cycle:** The SDSMA billing cycle for all Sellers/ Buyers shall be monthly (calendar month wise).
- b) **Meter Reading:** Meter Reading shall be automatically read and communicated to SLDC.
- c) **Implemented Schedule:** For preparation of SDSMA Statement, the SLDC shall consider implemented schedule as available in the SRLDC and SLDC websites and implemented schedule received from Power Exchanges through E-Mail. SLDC shall be responsible for timely (as per Grid Code) updation and uploading of the implemented schedule in respect of all Sellers/ Buyers in the SLDC website.
- d) **Frequency:** For preparation of SDSMA Statement, SLDC shall consider frequency as considered by SRPC in the DSM Statement issued to Distribution licensee, as available in SRPC or as declared by SRLDC in its website.

e) Confirmation of Meter-reading and Schedule: Since meter reading and implemented schedule data are received in encrypted softcopy, so to minimize the possibility of error, before processing of the SDSMA bill, SLDC shall again verify data of schedule and energy injection/drawal from the concerned Sellers/ Buyers and concerned metering Division of KPCL, STU and Distribution licensee. The Sellers/ Buyers and the concerned metering Division of KPCL, STU and Distribution licensee shall verify and confirm the required information within 2 (two) working days from the date of receipt of such data from SLDC through email.

f) Processing of SDSMA Bill: SLDC shall prepare SDSMA bill within five (5) working days after the receipt of all related data from all concerned as above. Further, SLDC shall issue the SDSMA bill to all concerned through hardcopy and softcopy. The softcopy of the SDSMA bill shall be made available by publishing it on the SLDC website from the date of issue of SDSMA bill. The soft copy of the SDSMA shall broadly contain the following information:

- (i) Details of Deviation Settlement Method Tariff Structure currently in force;
- (ii) Details of Block-wise, Day-wise and total Deviation transactions for each Entity (details shall include Scheduled Energy, actual Energy, Charges for Deviation along with net amount payable/receivable by them);
- (iii) Details of transmission constraints and Grid disturbances;
- (iv) Any other details which State Load Despatch Centre feels necessary to complete the Deviation Settlement Method Account.

9.2. Settlement of Deviation Charges shall be done through "State Deviation Pool Account" to be maintained and operated by the Distribution licensee. The Distribution licensee shall open a separate Bank Account in a Nationalized/Scheduled Commercial Bank in the

name of "State Deviation Pool Account".

Provided that Distribution licensee shall maintain the account and submit the same to the Commission along with the tariff filing exercise.

Provided that the Commission may by order direct any other entity to operate and maintain the Deviation Pool Account.

- 9.3. Payment of Deviation charges shall have a high priority and the concerned Entity shall pay the indicated amount, within Ten (10) days from the date of issue of State Deviation Settlement Mechanism Account, into a "State Deviation Pool Account" operated by Distribution licensee. However, for the State Owned Generating Stations, the due date for payment of deviation charges shall be governed as per LPS as determined by KERC in Regulations/Orders issued from time to time.
- 9.4. The State Grid User which has to receive the money on account of Deviation charges would then be paid out from the State Deviation Pool Account within next two working days of receipt of payments in the "State Deviation Pool Account".
- 9.5. Separate books of accounts shall be maintained for the principal component and interest component of charges for deviation.
- 9.6. If payments against the charges for deviation are delayed beyond as specified in this regulation from date of issue of State DSM Account, the defaulting State Grid Users shall have to pay simple interest @ 0.04% for each day of delay.
- 9.7. All Sellers/Buyers which had at any time during the previous quarter of the year failed to make payment of Charges for Deviation within the time specified in these regulations shall be required to open a Letter of Credit (LC) equal to 110% of its average payable weekly/monthly liability for Deviations in the previous quarter of the year, in favour of the pool account maintained by Distribution licensee with a nationalized/ scheduled commercial bank.

Provided that –

(a) If any State Grid user fails to make payment of Charges for Deviation by the time specified in these regulations during the current quarter of the year, it shall be required to open a Letter of Credit equal to 110% of weekly/monthly outstanding liability in favour of “State Deviation Pool Account”

(b) Letter of Credit amount shall be increased to 110% of the payable weekly/monthly liability for Deviation in any week/month during the quarter, if it exceeds the previous Letter of Credit amount by more than 50%.

Illustration: If the average payable weekly liability for Deviation of a State Grid user during Last Quarter of FY 2021-22 is Rs. 20 crore, the State Grid User shall open Letter of Credit for Rs. 22 crore in First Quarter of FY 2022-23. If the weekly payable liability during any week in First Quarter of FY 2022-23 is Rs. 35 crore which is more than 50% of the previous quarter of the year average payable weekly liability of Rs. 30 Crore, the concerned State Grid User shall increase the LC amount to Rs. 38.5 Crore (1.1*35.0) by adding Rs. 16.5 Crore.

(c) In case of failure to pay into the “State Deviation Pool Account” within the specified time in there Regulations from the date of issue of Statement of charges for Deviations, the Distribution licensee shall be entitled to encash the Letter of Credit of the concerned entity to the extent of the default and the concerned entity shall recoup the Letter of Credit amount within 3 (three) working days.

(d) If necessary, the Distribution licensee shall initiate suitable action against defaulting entities under section 56 of the Act 2003 and other action as per relevant provisions of the Act as applicable from time to time. The responsibility of ensuring collection of

outstanding dues from the Sellers/ Buyers shall be of the Distribution licensees.

- (e) If necessary, the Distribution licensee shall initiate suitable action against defaulting entities as per KERC relevant Regulations.

CHAPTER-10

10. POWER TO RELAX/ SAVINGS AND REPEAL/ POWER TO REMOVE DIFFICULTIES

- 10.1 The Commission, for reasons to be recorded in writing, may relax any of the provisions of these Regulations on its own motion or on an application made before it by an interested person.
- 10.2 Save as otherwise provided in these regulations, the Commissions Order dated 20.06.2006 with respect to implementation of Intra-state ABT shall stand repealed from the date of commencement of these Regulations.
- 10.3 If any difficulty arises in giving effect to any of the provisions of these regulations, the Commission may, of its own motion or otherwise by an order and after giving a reasonable opportunity to those likely to be affected by such order, make such provisions, not inconsistent with these regulations or the Act, as may appear to be necessary for removing those difficulties.
- 10.4 Issue of Suo-Moto orders and practice directions: The Commission may, from time to time, issue orders and practice directions in regard to the effective implementation of these regulations and matters incidental or ancillary thereto as the Commission may consider appropriate.

By the Orders of the Commission

**Secretary
Karnataka Electricity Regulatory
Commission**

KARNATAKA ELECTRICITY REGULATORY COMMISSION**No. 16 C-1, Miller Tank Bed Area, Vasanth Nagar, Bengaluru- 560 052****Notification****No. KERC/S/F-31/Vol-1402/504****Date: 15.07.2025****Karnataka Electricity Regulatory Commission (Ancillary Services) Regulations, 2025****Preamble:**

1. The growing complexity of the power sector, driven by increasing renewable energy penetration, rising demand, and diverse grid integration challenges, necessitates a robust framework for ancillary services. These services are essential to maintain grid frequency, voltage stability, and system balance under varying operating conditions.
2. The Commission aimed to achieve the following objectives through framing Regulations :
 - a) Strengthen grid reliability and operational efficiency by establishing a robust ancillary services mechanism.
 - b) Ensure transparency, accountability, and fairness by providing a structured framework for the participation of eligible service providers.
 - c) Encourage technological innovation and advancements in grid management to address evolving challenges effectively.
 - d) Facilitate the growth of a competitive market for ancillary services, delivering benefits to all stakeholders.
3. The stakeholders involved in the matter include power generators, distribution utilities, transmission companies, and open access consumers. Each participant has specific roles and responsibilities.
4. Hence, in exercise of powers conferred under Section 181 read with clauses (c), (h) and (i) of sub section (1) of Section 86 of the Electricity Act, 2003 and as required under the sub section (3) of section 181 of the Electricity Act 2003, and the Electricity (Procedure for Previous Publication) Rules, 2005, the Draft Karnataka Electricity Regulatory Commission (Ancillary Services) Regulations, 2024 were

notified in the official gazette on 07.01.2025 to elicit objections/suggestions/comments from the interested persons and stakeholders. The Commission has also conducted a public hearing on 19.03.2025, to elicit the views of the public and stakeholders on the draft Karnataka Electricity Regulatory Commission (Ancillary Services) Regulations, 2024. The Commission has considered the views/comments/suggestions received from the stakeholders.

6. As per Sections 181 (zi) & (zp) read with clauses (h) & (i) of sub section (1) of Section 86 of the Electricity Act and all powers enabling it in this behalf, the Commission hereby makes the Regulations, namely Karnataka Electricity Regulatory Commission (Ancillary Services) Regulations, 2025.

Order

After considering the views/ objections/ comments/ suggestions of the stakeholders on the draft regulations, the Commission hereby approves the Karnataka Electricity Regulatory Commission (Ancillary Services) Regulations, 2025.

-Sd-

(P. RAVI KUMAR)
CHAIRMAN

-Sd-

(H.K. JAGADEESH)
MEMBER (LEGAL)

-Sd-

(JAWAID AKHTAR)
MEMBER

KARNATAKA ELECTRICITY REGULATORY COMMISSION
No. 16 C-1, Miller Tank Bed Area, Vasanth Nagar, Bengaluru- 560 052

No. KERC/S/F-31/Vol-1402/504

Date: 15.07.2025

NOTIFICATION

In exercise of powers conferred under Sections 181 (zi) & (zp) of the Electricity Act, 2003 read with clause (c), (h) & (i) of sub-section (1) of section 86 and all other powers enabling it in this behalf, and after previous publication, the Karnataka Electricity Regulatory Commission makes the following regulations:

CHAPTER-1**PRELIMINARY****1. Short Title, Extent and Commencement:**

- 1.1 These Regulations may be called the Karnataka Electricity Regulatory Commission (Ancillary Services) Regulations, 2025.
- 1.2 These Regulations shall be effective from the date of their publication in the official gazette of the State of Karnataka.

CHAPTER-2**OBJECTIVE****2. Objective:**

- 2.1 To ensure grid security, it is essential that adequate reserves are maintained locally within State's control area, as stipulated in the Indian Electricity Grid Code or the Karnataka Electricity Grid Code. These regulations establish mechanisms for the procurement, deployment, and payment of Ancillary Services at the State level. The aim is to maintain grid frequency near to 50 Hz, restore frequency within the permissible range specified in the Karnataka Electricity Grid Code, and address transmission network congestion. This facilitates smooth power system operations while ensuring the safety and security of the State's grid.

CHAPTER-3**DEFINITIONS****3. Definitions**

- 3.1 In these Regulations, unless the context otherwise requires-

- (1) "**Act**" means the Electricity Act, 2003 (36 of 2003);
- (2) "**AGC Signal**" means automated signal generated from the Nodal Agency through which the generation of a Secondary Reserve Ancillary Services (SRAS) Provider is adjusted;

-
- (3) **"Ancillary Service" or "AS"** in relation to power system operation, means the service necessary to support the grid operation in maintaining power quality, reliability and security of the grid and includes Primary Reserve Ancillary Service, Secondary Reserve Ancillary Service, Tertiary Reserve Ancillary Service, active power support for load following, reactive power support, black start and such other services as defined in the Grid Code;
- (4) **"Area Control Error" or "ACE"** means the instantaneous difference between the net actual interchange and net scheduled interchange of the State as an area, taking into account the effects of frequency bias and correction of measurement errors;
- (5) **"AS Capacity Obligation"** is the capacity signaled for despatch by the Nodal Agency under SRAS or the capacity procured by the Nodal Agency under TRAS;
- (6) **"Automatic Generation Control" or "AGC"** means a mechanism through which the generation of the SRAS Provider in a control area is automatically adjusted in response to the Secondary Control Signal;
- (7) **"Commission"** means the Karnataka Electricity Regulatory Commission referred to in Sub-section (1) of Section 82 of the Act;
- (8) **"Compensation Charge"** means the price declared by an SRAS Provider other than a generating station whose tariff is determined under Section 62 of the Act for participation in SRAS;
- (9) **"Demand Response"** means variation in electricity drawal by the Licensee or an Open Access Customer, as per the system requirement identified by the Nodal Agency;
- (10) **"DSM Regulations"** means the Karnataka Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2025 and as amended from time to time.
- (11) **"Energy Storage"** in relation to the electricity system, means a facility where electrical energy is converted into any other form of energy which can be stored, and subsequently reconverted into electrical energy;

- (12) **"Flat Tie-line Control"** means a mechanism of correcting Area Control Error(ACE) by factoring in only the deviation of net actual interchange from the net scheduled interchange at the State level, and ignoring frequency deviation;
- (13) **"Frequency Response Characteristics"** means an automatic, sustained change in the power consumption by load or output of the generators that occurs immediately after a change in the load-generation balance of a control area and which is in a direction to oppose a change in frequency;
- (14) **"Gate Closure"** means the timeline as defined in IEGC;
- (15) **"Indian Electricity Grid Code" or "IEGC"** means the Regulations specified by the Central Electricity Regulatory Commission under Clause (h) of Sub-section (1) of Section 79 read with Clause (g) of Sub-section (2) of Section 178 of the Act;
- (16) **"KEGC"** means the Grid Code specified by the Karnataka Electricity Regulatory Commission under clause (h) of Sub-section (1) of Section 86 of the Electricity Act, 2003;
- (17) **"Nodal Agency"** means the State Load Despatch Centre which shall be responsible for the implementation of the Ancillary Services at the intra-State level;
- (18) **"Primary Reserve Ancillary Service" or "PRAS"** means the Ancillary Service which immediately comes into service through the governor action of the generator or through any other resource in the event of a sudden change in frequency;
- (19) **"Secondary Control Signal"** means automated signal generated from the Nodal Agency through which injection or drawal or consumption of an SRAS provider is adjusted, and includes AGC signal;
- (20) **"Secondary Reserve Ancillary Service" or "SRAS"** means the Ancillary Service comprising SRAS-Up and SRAS-Down, which is activated by the Nodal Agency and deployed through secondary control signal;
- (21) **"Secondary Reserve Ancillary Service Provider" or "SRAS Provider"** means an entity that provides SRAS-Up or SRAS-Down in accordance with these Regulations;

- (22) **"SRAS-Down"** means an SRAS that reduces active power injection or increases drawl or consumption, as the case may be, in response to the secondary control signal from the Nodal Agency;
- (23) **"SRAS-Up"** means an SRAS that increases active power injection or decreases drawl or consumption, as the case may be, in response to a secondary control signal from the Nodal Agency;
- (24) **"State Deviation Settlement Mechanism Account (SDSMA)"** means weekly/monthly State Deviation Settlement Mechanism Account prepared by State Load Despatch Centre for the billing and settlement of Deviation charges;
- (25) **"Tariff Regulations"** mean the Regulations specified by the Commission from time to time under sub- section (1) and (2) of Section 181 read with Section 61 of the Act;
- (26) **"Tertiary Reserve Ancillary Service" or "TRAS"** means the Ancillary Service which consists of a spinning reserve or non-spinning reserve, which responds to despatch instructions from the Nodal Agency;
- (27) **"Tie-Line Bias Control"** means a mechanism of correcting ACE by factoring in deviation of net actual interchange from the net scheduled interchange at the State level as well as frequency deviation; and
- (28) **"Un-Requisitioned Surplus" or "URS"** means the capacity in a generating station that has not been requisitioned and is available for despatch, and is computed as the difference between the declared capacity of the generating station and its total schedule.

3.2 Words and expressions used and not defined in these Regulations but defined in the Act or any other Regulations of the Commission, shall have the same meaning as assigned to them in the Act or any other Regulations of the Commission. Reference to any Act, Rules and Regulations shall include amendments or consolidation or re-enactment thereof.

CHAPTER-4**APPLICABILITY****4. Applicability:**

- 4.1 These Regulations shall apply to intra-State entities, including entities having energy storage resources and entities capable of providing demand response qualified to provide Ancillary Services and other entities as provided in these Regulations.

CHAPTER-5**FRAMEWORK AND OPERATIONAL GUIDELINES FOR ANCILLARY SERVICES****5. Types of Ancillary Services**

- 5.1 There shall be the following types of Ancillary Services, namely:

- (a) Primary Reserve Ancillary Service (PRAS);
- (b) Secondary Reserve Ancillary Service (SRAS);
- (c) Tertiary Reserve Ancillary Service (TRAS); and
- (d) Any other Ancillary Services as may be specified in the KEGC.

- 5.2 The mechanism of procurement, deployment and payment of SRAS as referred to in Sub- clauses (b) of Clause (5.1) of this Regulation shall be as specified in these Regulations.

6. Estimation of Reserves by the Nodal Agency

- 6.1 The Nodal Agency shall estimate the quantum of the requirement of SRAS at the State level for such period and based on such methodology as specified in the detailed procedure for estimation of the requirement of SRAS and publish the same on its website.
- 6.2 The Nodal Agency shall re-assess the quantum of the requirement of SRAS on day-ahead basis and incremental requirement, if any, on real-time basis and update the same on its website.
- 6.3 The requirement of SRAS shall be estimated at the State level.

Part I**Secondary Reserve Ancillary Service (SRAS)****7. Eligibility for an SRAS Provider**

A generating station or an entity having energy storage resources or an entity capable of providing demand response, on a standalone or aggregated basis, connected to the intra-State transmission system, shall be eligible to provide Secondary Reserve Ancillary Service, as an SRAS Provider, if it:

- (a) has a bi-directional communication system with SLDC, as per the requirements stipulated in the Detailed Procedure by the Nodal Agency;
- (b) is AGC-enabled, in case of a generating station or a energy storage system;
- (c) can provide a minimum response of 10 MW;
- (d) has metering and Supervisory Control and Data Acquisition (SCADA) telemetry in place for monitoring and measurement of energy delivered under SRAS, as stipulated in the Detailed Procedure by the Nodal Agency; and
- (e) is capable of responding to SRAS signal within 30 seconds and providing the entire SRAS capacity obligation within fifteen (15) minutes and sustaining at least for the next thirty (30) minutes.

8. Activation and Deployment of SRAS

8.1 SRAS shall be activated and deployed by the Nodal Agency on account of the following events to minimize the deviation of the State in addition to relieving congestion in the Intra- State transmission system or replenishing primary reserves:

- (a) Considering the State as a control area, the Area Control Error (ACE) of the State, going beyond the minimum threshold limit of ± 10 MW or such other limit as may be notified by the Commission based on a review of the performance of SRAS; and
- (b) Such other events may be specified in the KEGC.

- 8.2 The Area Control Error (ACE) for the State would be auto-calculated at the control center of the Nodal Agency based on telemetered values, and the external inputs referred to in clauses (8.3) and (8.4) of this Regulation, as per the following formula

$$ACE = (I_a - I_s) - 10 * B_f * (F_a - F_s) + Offset$$

Where,

I_a = Actual net interchange in MW (positive value for export)

I_s = Scheduled net interchange in MW (positive value for export)

B_f = Frequency Bias Coefficient in MW/0.1 Hz (negative value)

F_a = Actual system frequency in Hz

F_s = Schedule system frequency in Hz

Offset = Provision for compensating for measurement error

- 8.3 Frequency Bias Coefficient (B_f) shall be assessed and declared by the Nodal Agency as per the Detailed Procedure.
- 8.4 The offset shall be used to account for measurement errors and shall be decided by the Nodal Agency for the State.
- 8.5 Nodal Agency may operate SRAS in any of the two control modes namely, tie-line bias control mode or flat tie-line control mode depending on grid requirements.

9. Procurement of SRAS

- 9.1 SRAS shall be procured at the State level by the Nodal Agency through the mechanism as specified in this Regulation.
- 9.2 An SRAS Provider willing to participate in SRAS shall be required to provide standing consent for a minimum period of time of 7 (seven) days to the Nodal Agency for participation, which shall remain valid till it is modified or withdrawn:

Provided that standing consent except in case of forced outage cannot be modified or withdrawn without giving notice of at least forty-eight hours:

- Provided further that in case the capacity earmarked for SRAS is not called for and at the same time there is a requirement of power by the beneficiary, the same may be released by the nodal agency at its sole discretion based on a written requisition for benefit of the beneficiary.
- 9.3 The SRAS Providers that are generating stations shall be required to declare in such time interval as may be stipulated in the Detailed Procedure, the technical parameters as required by the Nodal Agency, including but not limited to installed capacity, declared capacity, maximum possible generation (Pmax), schedule, Technical Minimum, Ramp up and Ramp down capability.
- 9.4 The SRAS Providers other than the generating stations shall be required to declare the technical requirements as may be stipulated in the Detailed Procedure.
- 9.5 The SRAS Providers that are generating stations whose tariff is determined under Section 62 of the Act, shall declare their energy charge upfront on monthly basis in the manner as stipulated in the Detailed Procedure.
- 9.6 The SRAS Providers other than those covered under Clause (9.5) of this Regulation, shall be required to declare a single rate of the compensation charges upfront on a monthly basis in the manner as stipulated in the Detailed Procedure.
- 9.7 The Nodal Agency, based on the estimate of the SRAS requirement as per Regulation 6 of these Regulations, shall ascertain the availability of adequate SRAS capacity by factoring in the declarations made by the SRAS Providers under this Regulation, on a day-ahead basis and reviewing the same on a real-time basis.
- 9.8 In the case of the generating stations whose tariff is determined by the Commission under Section 62 of the Act, the Nodal Agency shall identify the generating stations for providing SRAS, in the following manner, namely:
- (a) On a day-ahead basis, based on the un-requisitioned capacity available after the schedule has been communicated at 23:00 hrs for the next day; and

(b) On a real-time basis after gate closure for incremental SRAS requirements:

Provided that the capacity so identified shall be considered for SRAS based on the actual availability of such capacity.

9.9 There shall not be any commitment charge for the SRAS Providers for the capacity ascertained under Clause (9.7) or identified under Clause (9.8) of this Regulation, but not signaled for SRAS:

Provided that the Commission based on a review of the availability and performance of SRAS, may in future provide through a separate order, a mechanism for the SRAS Providers to commit SRAS capacity in advance, and also for appropriate compensation for such committed SRAS capacity.

10. Selection of SRAS Providers and Despatch of SRAS

10.1 SRAS signal shall be allocated among the SRAS Providers of the State to meet the SRAS requirement of the system based on the merit order of variable charges or compensation charges or custom participation factor as applicable will be defined in the procedure to be bought out by the Nodal Agency.

10.2 SRAS shall be dispatched at the State level through secondary control signals by the Nodal Agency.

10.3 The secondary control signal for SRAS-Up and SRAS-Down shall be sent to the control center of the SRAS Provider every 4 seconds (or any other interval decided by the Commission) by the Nodal agency. SRAS Provider shall allow its control center to follow the secondary control signal for SRAS-Up or SRAS-Down automatically without manual intervention.

10.4 The SRAS Provider shall increase or decrease active power injection or increase or decrease drawal or consumption, as the case may be, as per the automatic signal from the Nodal Agency.

10.5 The SRAS Provider shall share real-time data with SLDC as stipulated in the Detailed Procedure.

- 10.6 The average of SRAS-Up and SRAS-Down MW data shall be calculated for every 15- minute time block in MWh for every SRAS Provider by the Nodal Agency using the archived SCADA data at the Nodal Agency and reconciled with the data received at the control centre of the SRAS Provider and shall be used for payment of energy charge or compensation charge, as the case may be, to the SRAS Provider as per Regulation 11 of these Regulations.

11. Payment for SRAS:

- 11.1 SRAS Provider shall be paid from the **SDSMA** at the rate of their energy charge or compensation charge, as declared by the SRAS Provider, as the case may be, for the SRAS-Up MW quantum despatched for every 15-minute time block, calculated as per clause 10.6 of Regulation 10 of these Regulations.

Provided that the energy charges or compensation charges, as declared by the SRAS Providers as applicable at the time of delivery of the SRAS shall be used to calculate the payment of SRAS by the providers and no retrospective settlement of energy charges or compensation charges shall be undertaken even if the said charges are revised at a later date.

- 11.2 SRAS Provider shall pay back to the **SDSMA**, at the rate of their energy charge or compensation charge, as the case may be, for the SRAS-Down MW quantum despatched for every 15- minute time block, calculated as per clause 10.6 of Regulation 10 of these Regulations.

- 11.3 No incentive shall be provided to SRAS Provider during the introductory stage of SRAS implementation. However, the Commission after the introduction of SRAS in the State and after analyzing the financial impact thereon, shall introduce a scheme for providing incentive to SRAS provider at a later stage through a separate order.

- 11.4 Methodology of computation under clauses (11.1) to (11.3) of this Regulation shall be stipulated in the Detailed Procedure.

12. Performance of SRAS Provider:

- 12.1 The actual response of SRAS Provider against the secondary control signals from the Nodal Agency to the control centre of the SRAS Provider shall be

monitored by the Nodal Agency, as per the procedure stipulated in the Detailed Procedure.

12.2 All measurements of secondary control signals from the Nodal Agency to the control centre of the SRAS Provider and the actual response of SRAS Provider shall be carried out on post-facto basis using SCADA data. Performance of the SRAS Provider shall be measured by the Nodal Agency by comparing the actual response against the secondary control signals for SRAS-Up and SRAS-Down sent every 4 seconds (or any other interval decided by the Commission) to the control centre of the SRAS Provider measured using 5- minute average data.

12.3 The methodology for measurement of the performance of SRAS Provider based on this Regulation shall be stipulated in the Detailed Procedure.

13. Failure in performance of SRAS Provider

13.1 Performance below 20% for two consecutive days by an SRAS Provider shall make the SRAS Provider liable for disqualification for participation in SRAS for a week by the Nodal Agency.

13.2 Violation of directions of the Nodal agency for SRAS under these Regulations shall make the SRAS providers liable for penalties as per the provisions of the Act.

Part II

Shortfall in procurement of SRAS or Emergency Conditions

14. Shortfall in procurement of SRAS or Emergency Conditions

14.1 All generating stations, whose tariff is determined by the Commission under Section 62 of the Act including those having URS power, shall be deemed to be available for use by the Nodal Agency for SRAS, subject to technical constraints of such generating stations.

14.2 The generating stations as referred to in clause (14.1) of this Regulation, whose URS is despatched as SRAS-Up shall be paid their energy charge in terms of clause (11.1) of Regulation 11.

14.3 The generating stations as referred to in clause (14.1) of this Regulation, if despatched as SRAS-Down shall pay back to the Deviation and Ancillary

Service Pool Account in terms of clause (11.2) of Regulation 11.

- 14.4 In case the Nodal Agency requires any generating station to provide Ancillary Services to meet the emergency conditions for reasons of grid security as per the provisions of the Grid Code, such generating station may be compensated at the rate of the energy charge as specified by the Commission.

Part III

Accounting and Settlement of SRAS

15. Accounting and Settlement of SRAS

- 15.1 Accounting of SRAS shall be done by the Nodal Agency on a weekly basis, based on Interface meter data.
- 15.2 Deviation of SRAS Provider in every 15-minute time block shall be calculated as under and settled as per the procedure of DSM Regulations:

MWh Deviation for AS Provider = (Actual MWh of AS Provider) - (Scheduled MWh of AS Provider) - (SRAS MWh of AS Provider)

- 15.3 The **SDSMA** shall be charged for:

- (a) the energy charge or the compensation charge as the case may be, of dispatched SRAS- Up for every time-block on the intra-state basis, payable to the concerned SRAS Provider,
- (b) the compensation as referred to in the proviso to clause (9.9) of Regulation (9) of these Regulations.

- 15.4 For SRAS down despatch, payment shall be credited to **SDSMA**.

- 15.5 The net of the charges and the credits under clauses (15.3) & (15.4) of this Regulation shall be settled through the charges collected under the DSM Regulations.

- 15.6 Settlement of payment liabilities in respect of the SRAS providers shall be done directly by the Nodal Agency on a weekly basis considering them as virtual entities.

- 15.7 No retrospective settlement of energy charge or compensation charge, as the case may be, shall be undertaken.
- 15.8 The Nodal Agency shall publish information on its website about SRAS procured and scheduled on a weekly basis and submit quarterly detailed feedback reports to the Commission.

16. Transmission Charges and Losses for SRAS Provider

No transmission charges or transmission losses or transmission deviation charges shall be payable for SRAS.

Part IV

Miscellaneous

17. Detailed procedure

- 17.1 The Nodal Agency shall submit the Detailed Procedure through an application along with a gist of application before the Commission for approval within 3 (three) months of notification of these Regulations. On admitting such application, the Commission shall ask Nodal Agency to publish the gist of the application within 7 (seven) working days from date of approval of the gist by the Commission in four widely circulated newspapers (Kannada and English) and on website of the Nodal Agency inviting suggestions and objections on the detailed procedure from all the stakeholders including public at large. In the website along with the gist, the concerned application shall also be uploaded with the facility to download those documents by public in pdf and editable word format. Such suggestions and objections shall be submitted to the Nodal Agency within specified time. On receiving stakeholders' suggestions and objections, the Nodal Agency shall finalize the Detailed Procedure and submit to the Commission for approval.
- 17.2 The Detailed Procedure shall contain the operational aspects of SRAS including, but not limited to,
- (a) bi-directional communication system as referred to in sub-clause (a) of clause (7.1) of Regulation 7 of these Regulations;
 - (b) metering and SCADA telemetry for monitoring and measurement of energy delivered under SRAS as referred to in sub-clause (d) of clause (7.1) of Regulation 7 of these Regulations;
 - (c) intervals of the automatic calculation of ACE and method of 'Offset' calculation and the meter drift issues in respect of clause (8.2) of Regulation 8 of these Regulations;

- (d) details of various control modes of operation as mentioned in clause (8.5) of Regulation 8 of these Regulations;
- (e) details regarding the declaration of technical parameters as referred to in clause (9.3) of Regulation 9 of these Regulations;
- (f) technical requirements for SRAS providers as referred to in clause (9.4) of Regulation 9 of these Regulations;
- (g) manner of declaration of the energy charge and the compensation charge, respectively as referred to in clauses (9.5) and (9.6) of Regulation 9 of these Regulations;
- (h) methodology of sharing real time data as referred to in clause (10.5) of Regulation 10 of these Regulations;
- (i) methodology for despatch of SRAS to relieve congestion;
- (j) methodology of computation for SRAS as referred to in clause (11.4) of Regulation 11 of these Regulations;
- (k) details regarding monitoring of the actual response of SRAS providers as referred to in clause (12.1) of Regulation 12 of these Regulations;
- (l) details of the methodology for measurement of performance of SRAS Provider as referred to in clause (12.2) of Regulation 12 of these Regulations;
- (m) other related and incidental matters.

18. Power to Relax:

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected, may relax any of the provisions of these Regulations on its own motion or on an application made before it by an interested person.

19. Power to Remove Difficulty:

If any difficulty arises in giving effect to the provisions of these Regulations, the Commission may on its own motion or on an application filed by any affected party, issue any general or specific directions as may be considered necessary in furtherance of the objective and purpose of these Regulations.

By Order of the Commission

SECRETARY

Karnataka Electricity Regulatory Commission

IN THE COURT OF THE SENIOR CIVIL JUDGE & JMFC COURT MULBAGAL.

It is hereby notified to the public, in Mulbagal Town police station, Mulbagal, Kolar district have seized following vehicles as unclaimed and such vehicle are lying in the police station as unclaimed so far. Hence the owners of the properties and vehicle may put their claim within one month from the date of this publication.

SL	VEHICLE TYPE	REGISTRATION NO	CHASSIS NO	ENGINE NO
1	2	3	4	5
1	SPLENDER	KA-08, K-1922	06M16F45708	06M15E45263
2	HERO HONDA CT100SS	KA05-ED-2933	00F20F19303	00F18E19301
3	WITHOUT NUMBER PLATE HONDA ACTIVA	-	ME41F08245801064	TF08E8714096
4	WITHOUT NUMBER PLATE HONDA ACTIVA	-	MELIFO82078535255	JF08E8714096
5	BAJAJ CT-100	KA03-EQ-2105	DUCDLK79017	DUMBLK78039
6	HONDA CD-100	KA08-E-1734	B11330085	PM1497PMG3G
7	WITHOUT NUMBER PLATE PULSER	-	MD2A11PZ8EWB36640	DHZWEB74035
8	BAJAJ DISCOVERY	KA01-EG-6377	MD2D5JNZZPCG59127	JNGBT665376
9	TVS SCOOTY ZEST	KA51-AE-9971	MD626FG46K2H05830	FG4HK2305756
10	TVS SUPER XL	KA-07-S-1510	MD621BD12B2F39937	OD1FB1335774
11	TVS STAR CITY	KA-09-EM-0526	MD625NF1771N39574	AF1N71023881
12	HONDA ACTIVA	KA-04-EG-4842	ME4JF085M38348970	JF08E0358256
13	TVS STAR SPORT	KA-04-EU-1985	MD625MF5471D31636	AF5D71839034
14	TVS SUPER XL	KA-07-Q-3494	MD621BD1472H30217	OD1H71162570

DATE: 15-07-2025

PLACE: Mulbagal

Senior Civil Judge & JMFC.

Mulbagal.

PR-874

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ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ, ಮಂಗಳವಾರ, ೨೨, ಜುಲೈ, ೨೦೨೨

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In the Court of Honorable J.M.F.C, Traffic Court-1, Bengaluru City

In hereby notified to the public that BANASAWADI TRAFFIC POLICE STATION, Bengaluru City have seized the vehicles in IPC & IMV cases as P.F. vehicles which are laying at Mallasandra Vehicle Dumping Yard so far. Hence the owners of the vehicles may put their claim one month from the date of publication.

Particulars of the Banasawadi Traffic Police Station seized (P.F.) Vehicles.

SI. NO	VEHICLE NO	MAKE	MODEL	VEHICLE TYPE	CHASSIS NO	ENGINE NO
1	KA-03-M-2556	MARUTHI	MARUTHI 800	CAR	433241	610790
2	KA-02-L-8730	HONDA	KINETIC HONDA	MOPED	NIFLH537481	NIELH527448
3	KL-03-K-0005	CHEVROLET	CHEVROLET	CAR	MA6NF196T4H304103	F1603057263K
4	CTM-1177	MARUTHI	MARUTHI VAN	CAR	716090	120397
5	KA-05-ES-6856	HONDA	ACTIVA	SCOOTER	ME45F085G48489415	SF08E050346
6	KA-03-EV-1434	TVS	SCOOTY PEP	MOPED	MD626BG3662A58656	OG3A62057571
7	KA-04-EZ-5781	SUZUKI	ACCESS	SCOOTER	MB8CF4CAM88186172	F486186094
8	BR-30-A-0518	RAJDOOT	RAJDOOT	M/C	-	-
9	KA-03 JM-1601	HONDA	DIO	SCOOTER	MEUJF390FHU050291	5F39EU207076
10	KA-03 HX-1454	BAJAJ	PULSAR	M/C	MD2413EZ7ECG77857	DKZCEG70541
11	KA-03 JP-5918	HONDA	DIO	SCOOTER	-	-
12	KA-03-AE-8469	TVS	APACHE	M/C	MD634BE41H2G26676	BE4GH2126021

Place: Bengaluru City

J.M.F.C Traffic Court-I
Bengaluru City

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